CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

SECRET

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COUNTRY	East Germany		REPORT			
SUBJECT	Organizational Changes in		DATE DISTR.	9 May 1955		
	Central Committee of the S)EU	NO. OF PAGES	2	057/4	
DATE OF INFO.			REQUIREMENT NO.	RD	25 X 1	
PLACE ACQUIRED			REFERENCES			
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	THE SOURCE EVALUATIONS I THE APPRAISAL OF (FOR KEY					

- 1. The change in economic policy in favor of heavy industry was supposedly the cause for a complete reorganization of all departments of the Central Committee, still in the process of implementation since November 1954. It is to be expected that this policy will be more vigorously conducted in the immediate future. A corresponding reorganization will be carried out in other administrative agencies and nationalized enterprises.
- 2. Former SPD members, former political exiles who spent the war years in western countries, and followers of opposition groups, particularly Communists not in agreement with the party line who still occupy important positions, will be divested of their functions in the course of this reorganization.
- 3. It has been confirmed that 30% of the functionaries will be affected by the planned reduction in force. Of these, the most loyal followers of the party ideology will be re-employed as brigadiers! in order to improve and to strengthen political indoctrination and supervision of the nationalized enterprises.
- 4. The Arbeitsbuero der KPD took over the functions of the former Westabteilung, which was liquidated in 1951. Karl Schirdewan is secretary responsible for the Arbeitsbuero, while Erich Glueckauf is head of the Arbeitsbuero. Glueckauf, a former member of the SED Land Directorate Mecklenburg, will probably be replaced because of his poor cooperation with those Referenten working on Western countries. A resolution to this effect has already been prepared by the SED Secretariat, but has not as yet been approved. The Arbeitsbuero is the roof organization which conducts and directs the work of the Communist Party and other legal and illegal Communist organizations

5. The recently established Department "M"² is an expanded version of the former counter-intelligence Referat (Abwehr). It works in close cooperation with the SfS and the KVP and is at present concerned with a recruiting campaign for the KVP with particular emphasis being placed on the recruitment of officer candidates. Wilhelm Zaisser and Franz Dahlem are supposedly employed in this department, however, in a rather inconspicuous way. The former is occupied with counter-intelligence work, the latter with the training of western specialists and experts. The unofficial head of Department "M" is Bruno Haid.

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6.	Geffke, formerly S kowski ³ ; Departmen	t the following officials will be PD, Central Party Control Commiss: t for State Administration(direct of Main Department II, Mother and	ion (ZPKK), Anton Pleni- ly under Walter Ulbricht);
	Comments:		25X1
ı.	Best and most prog	ressive worker of a brigade.	
2.	Previously called	"Protection of People's Economy",	headed by Gustav Roebelen.
3.	Now Deputy Chief o	f the Office of the Presidium of	the Council of Ministers.
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